

## HUMAN SERVICES BOARD

# INTRODUCTION

## FINDINGS OF FACT

2. There is no dispute that much of the petitioners' income is from self-employment, and that the Department has been determining the amount of their income annually based on the petitioners' income tax returns from the previous calendar year. The Department in its decision determined

that the petitioners' countable income in 2007 was \$6,576.98 a month.<sup>1</sup>

3. The petitioners did not dispute the Department's calculations of their income and expenses based on their 2007 income tax filings. However, they maintained at their hearing that their income so far in 2008 has proven to be significantly lower. The Hearing Officer and the Department advised them at the hearing that they could reapply on this basis.

ORDER

The Department's decision is affirmed.

REASONS

Under the Medicaid regulations all earned income, except a \$90 disregard for each earner, is included as countable income for eligibility. Income from self-employment is determined by deducting business expenses from gross receipts. W.A.M. §§ M340 *et seq.*

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<sup>1</sup> Following a telephone conference held on August 13, 2008, the Department recalculated the petitioner's income to include a deduction for interest paid on a business loan.

Based on the regulations and the undisputed facts regarding the petitioners' income as reported on their 2007 tax returns, it must be concluded that the petitioners had countable income in excess of the maximum for eligibility under the Dr. Dynasaur program for parents in a five-person family, which is \$6,213. P-2420 B. As noted above, the petitioners have been advised to reapply based on their 2008 income to date. However, the Department's decision finding the petitioner ineligible for VHAP based on their reported income in 2007 must be affirmed. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D.

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